



Public Service Commission of Wisconsin

Daniel R. Ebert, Chairperson
Robert M. Garvin, Commissioner
Mark Meyer, Commissioner

610 North Whitney Way
P.O. Box 7854
Madison, WI 53707-7854

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Contact: Linda Barth and Amanda Riddell
(608) 266-9600

PSC Decision on Oak Creek Coal Plants Upheld by Supreme Court

MADISON – The Public Service Commission of Wisconsin (PSC) said the Supreme Court's decision today upholding its approval of two power plants near Oak Creek is a victory for ratepayers because it keeps Wisconsin on track to meet future energy demands in the most cost effective way possible.

"This decision is a victory for Wisconsin ratepayers and supports our goal to maintain a reliable and affordable electric system in the state," PSC Chairperson Daniel Ebert said.

"The PSC has a 100-year tradition of serving the citizens of Wisconsin. The PSC has a staff of highly dedicated experts working everyday to review and decide extremely complex, technical issues through an open and extensive process," Ebert pointed out. "Today, the highest court affirmed the PSC process on all counts, providing certainty for review of future energy projects."

The Supreme Court voted 4 to 2 to uphold the PSC review process and procedures in approving the new power plants after a November, 2004 Dane County Circuit Court decision vacated PSC approval. The Commission appreciated the Supreme Court's willingness to bypass the appeals court in the case and provide an expedited decision to help keep the needed project on schedule.

"Today's common sense decision by our Supreme Court reaffirms the Commission's responsibilities to ensure an adequate supply of energy for Wisconsin consumers under state law," Commissioner Bert Garvin said. "The Court's reasoned decision also reaffirms the conclusion we reached in our order approving the Elm Road Generating Station over eighteen months ago—new coal-fired baseload generation facilities are both needed and are in the public interest. The construction of these facilities will help ensure Wisconsin's energy security and economic vitality."

"The Supreme Court has unequivocally decided this issue in our favor," Commissioner Mark Meyer said. "The case has withstood judicial scrutiny, and it is now time to move forward with construction. Any further delay will only increase costs to WEPCO's customers."

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The PSC approved Wisconsin Energy Corporation's application to construct the two coal-fired, 615-megawatt generators near its Oak Creek power plant in November 2003, after a lengthy and thorough review process that included public participation. As originally approved by the Commission, the first Oak Creek power plant was scheduled to be up and running by 2009 to meet expected demand, with the second planned for operation by 2011.

The PSC said it hopes that despite the time needed to hear the appeal the construction timeline can be met.

"Wisconsin's aging baseload fleet and the need for additional generation that runs 24 hours, 7 days each week, makes these units crucial to meeting future demand," Ebert said. "With today's Supreme Court decision we can move forward to meet the demand for energy which fuels the economy and helps Wisconsin businesses grow."

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